

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES  
PRIORITY MAIL CONTRACT 125 (MC2015-54)  
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2015-82

**NOTICE OF UNITED STATES POSTAL SERVICE OF  
CHANGE IN PRICES PURSUANT TO  
AMENDMENT TO PRIORITY MAIL CONTRACT 125**  
(December 9, 2016)

The Postal Service hereby provides notice that prices under Priority Mail Contract 125, in the above-captioned proceeding, have changed as contemplated by the contract's terms. A redacted version of the amendment to Priority Mail Contract 125 is provided in Attachment A, and the unredacted amendment is being filed under seal. The amendment will become effective two business days after the day that the Commission completes its review of this filing.

The Postal Service is also filing supporting financial documentation and a certified statement as required by 39 C.F.R. § 3015.5. The certified statement required by 39 C.F.R. § 3015.5(c)(2) is provided in Attachment B. A redacted version of the supporting financial documentation is included with this filing as a separate Excel file. The Postal Service's original application for non-public treatment in this docket is hereby incorporated by reference for the protection of these materials.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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December 9, 2016

**ATTACHMENT A**

**REDACTED AMENDMENT TO PRIORITY MAIL CONTRACT 125**

**AMENDMENT  
OF  
SHIPPING SERVICES CONTRACT  
BETWEEN  
THE UNITED STATES POSTAL SERVICE  
AND  
[REDACTED]  
REGARDING  
PRIORITY MAIL SERVICE**

This amendment amends the Shipping Services Contract dated June 1, 2015, regarding Priority Mail Service, made by and between [REDACTED] ("Customer") and the United States Postal Service ("the Postal Service" and such contract, the "Contract").

WHEREAS, the Parties desire to amend the terms in Sections I.E.2, I.H, and I.I, along with Tables 2 and 3 of the Contract.

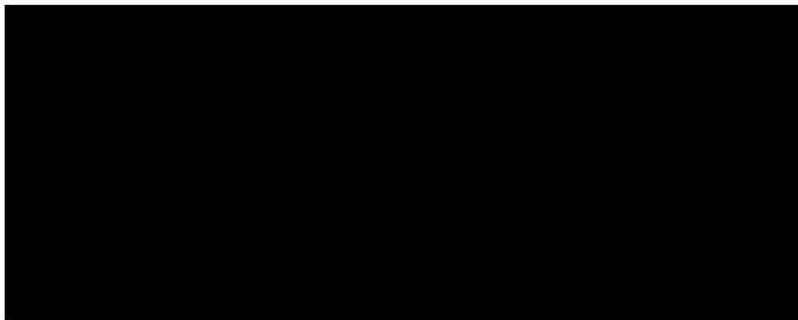
NOW, THEREFORE, the Parties agree that the contract is hereby amended as detailed below. The existing contract remains unchanged in all other respects. This amendment shall become effective two (2) business days following the day on which the Commission issues all necessary regulatory approval.

[Replace Section I.E.2 including Table 2, Section I.H including Table 3, Section I.I, and add Tables 4 through 6, as follows:]

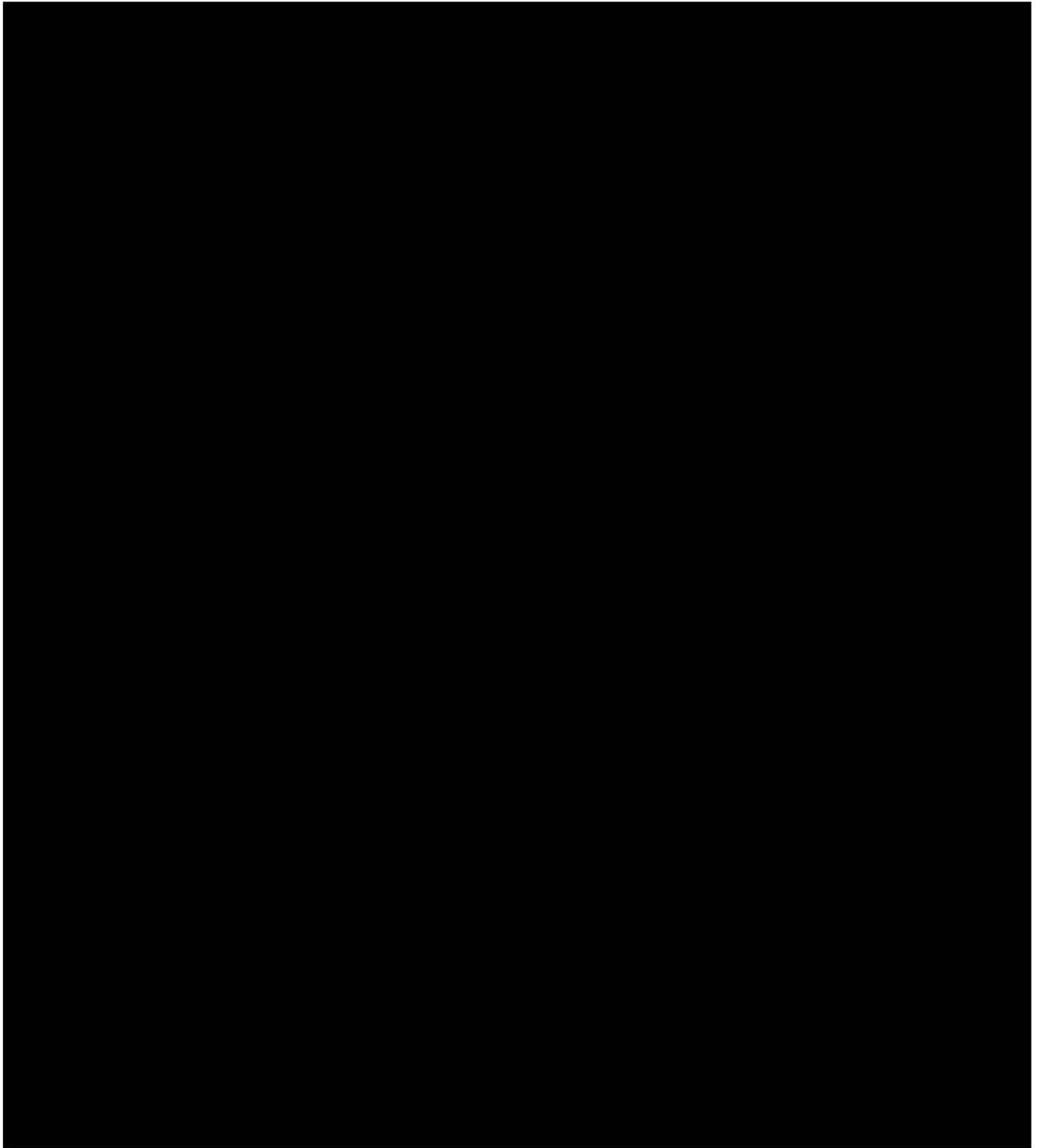
**I. Terms**

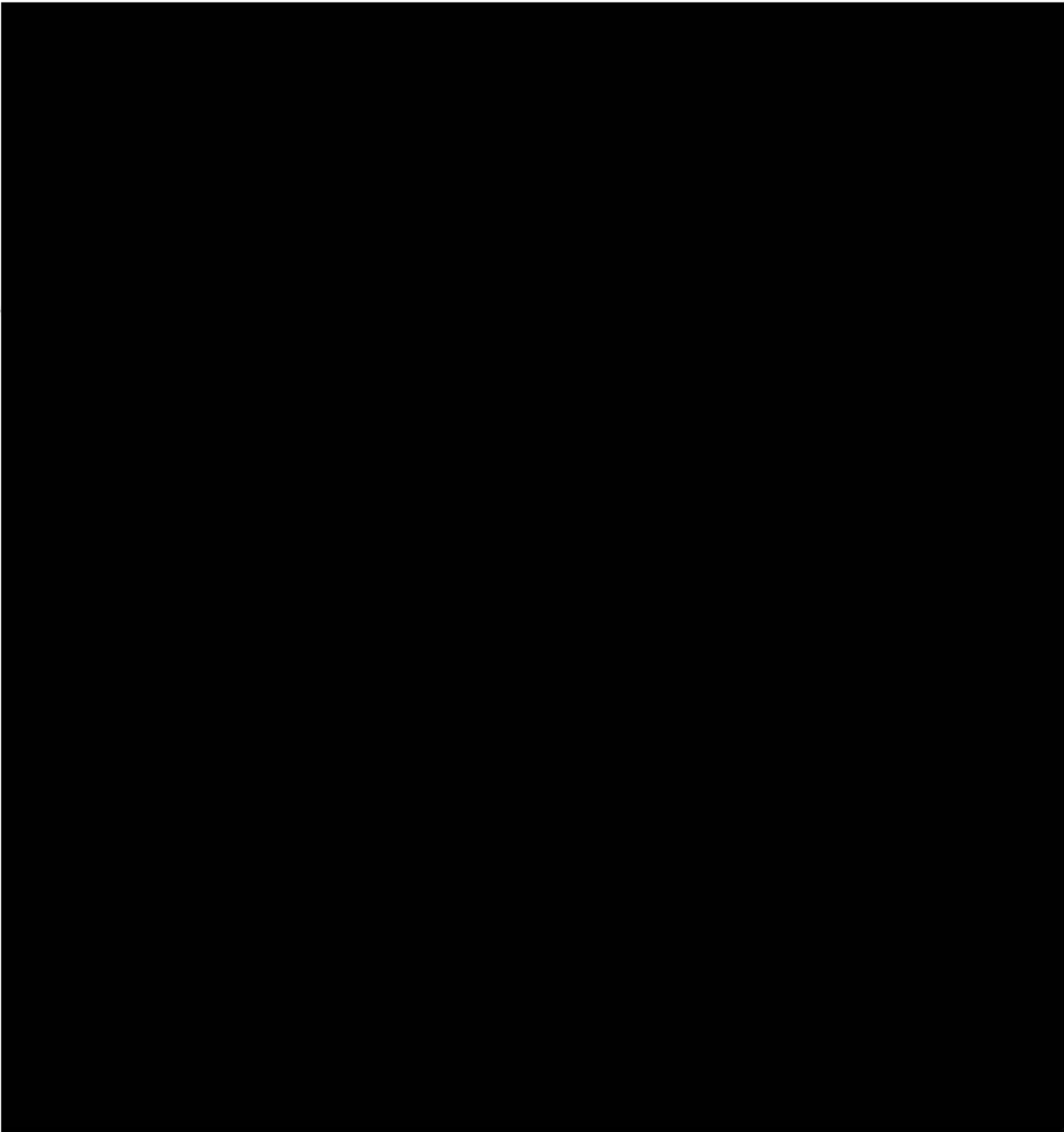
E.

2. The minimum volume requirements for Tiers 1 through 4 are shown in Table 2 below. The average volume of Contract Packages shipped during four (4) consecutive Contract Quarters will determine the applicable tier for percentage discounts off prevailing Priority Mail Commercial Plus prices in the following Contract Quarter throughout the term of the Contract.



H. Contract Package Discounts. The following percentage discounts, shown in Tables 3 through 6, are off the prevailing published Priority Mail Commercial Plus prices.



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- I. Customer shall continue to receive the appropriate tier discounts off prevailing Priority Mail Commercial Plus prices, pursuant to Table 2 and Section I.H, throughout the term of the contract. All prices will be calculated by the Postal Service and rounded up to the nearest whole cent.

IN WITNESS WHEREOF, the Parties hereto have caused this amendment to be duly executed as of the later date below:

UNITED STATES POSTAL SERVICE

Signed by: \_\_\_\_\_

Printed Name: Cliff Rucker

Title: Senior Vice President, Sales and Customer Relations

Date: \_\_\_\_\_

11/23/16

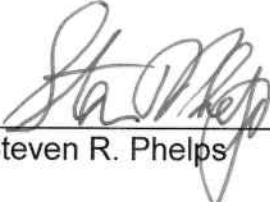
**ATTACHMENT B**  
**SIGNED CERTIFICATION**



**Certification of Prices for Amendment to Priority Mail Contract 125**

I, Steven R. Phelps, Manager, Regulatory Reporting and Cost Analysis, Finance Department, am familiar with the prices and terms for the amendment to Priority Mail Contract 125. The amended prices and terms contained in this Contract were established by the Decision of the Governors of the United States Postal Service on the Establishment of Prices and Classifications for Domestic Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates (Governors' Decision No. 11-6).

I hereby certify, based on the financial analysis provided herewith, that the amended prices are in compliance with 39 U.S.C § 3633 (a)(1), (2), and (3). They are expected to cover attributable costs. There should therefore be no subsidization of competitive products by market dominant products. The amended contract should not impair the ability of competitive products on the whole to cover an appropriate share of institutional costs.

  
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Steven R. Phelps